

1 Dario de Ghetaldi – Bar No. 126782
2 Amanda L. Riddle – Bar No. 215221
3 Steven M. Berki – Bar No. 245426
4 Sumble Manzoor – Bar No. 301704
5 **COREY, LUZAICH,**
6 **DE GHETALDI & RIDDLE LLP**
7 700 El Camino Real
8 P.O. Box 669
9 Millbrae, CA 94030-0669
10 Telephone: (650) 871-5666
11 Facsimile: (650) 871-4144
12 deg@coreylaw.com
13 alr@coreylaw.com
14 smb@coreylaw.com
15 sm@coreylaw.com

16 Michael S. Danko – Bar No. 111359
17 Kristine K. Meredith – Bar No. 158243
18 Shawn R. Miller – Bar No. 238447
19 **DANKO MEREDITH**
20 333 Twin Dolphin Drive, Suite 145
21 Redwood Shores, CA 94065
22 Telephone: (650) 453-3600
23 Facsimile: (650) 394-8672
24 mdanko@dankolaw.com
25 kmeredith@dankolaw.com
26 smiller@dankolaw.com

27 Attorneys for Individual
28 Fire Victim Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re)	Case No. 19-30088-DM
)	Chapter 11
PG&E CORPORATION and)	
PACIFIC GAS AND ELECTRIC)	(Joint Administration Pending)
COMPANY,)	
)	OBJECTION TO REQUEST FOR
Debtors.)	ORDER AUTHORIZING PRIORITY
)	PAYMENTS OF UNSECURED
)	PRE-PETITION OBLIGATIONS

24 In 2015, the Debtors caused the Butte Fire in Calaveras County. That wildfire burned two
25 people alive, injured hundreds of others, destroyed 571 homes, damaged hundreds of others, and
26 torched 70,868 acres in Calaveras County. After three years of litigation and multiple mediation
27 sessions, Debtors agreed to compensate twenty-two (22) of those victims in an amount totaling
28

FILED
JAN 31 2019
UNITED STATES BANKRUPTCY COURT
SAN FRANCISCO, CA

1 \$3,960,000. On January 23, 2019, Debtors reneged on those agreements, citing their decision to seek
2 relief under Chapter 11 and the “need to preserve cash.”

3 The Debtors now state that their decision to seek relief under Chapter 11 is “in the best interests
4 of all of the Debtors’ stakeholders, including . . . wildfire claimants. . .” (Declaration of Jason P. Wells
5 ISO First Day Motions (“Wells Decl.”), Doc# 28, p. 3:4-5.) Debtors now state, without ever
6 mentioning the victims of the 2015 Butte Fire, they considered and balanced “the need for an orderly,
7 fair, and expeditious process to assess and resolve PG&E’s potential liabilities resulting from the 2017
8 and 2018 Northern California wildfires.” (Wells Decl., p. 4:1-4.)

9 The Debtors deny the Chapter 11 is a “strategy or attempt to avoid PG&E’s responsibility for
10 the heartbreaking and tragic loss of life, devastating damage and destruction to homes and businesses,
11 and harm to the communities that has been incurred as a result of the 2017 and 2018 Northern
12 California wildfires.” (Wells Decl., p. 4:7-10.) Instead, the Debtors state that the first “primary
13 objective” of the Chapter 11 is “to establish a process for PG&E to fully address and resolve its
14 liabilities resulting from the 2017 and 2018 Northern California wildfires and to provide compensation
15 to those entitled to compensation from the Debtors fairly and expeditiously – indeed, more quickly
16 and more equitably than those liabilities could be addressed and resolved in the state court system.”
17 (Wells Decl., p. 4:10-16.)

18 Twenty-two (22) of the Butte Fire victims, whose entitlement to compensation was already
19 fully addressed and fully resolved in the state court system when Debtors agreed to settle their cases
20 and to compensate them in mutually agreed amounts, unequivocally submit that it is *not in their best*
21 *interests* for Debtors to renege on their agreements and to instead seek herein to use those liquidated
22 liabilities for non-essential purposes including but not limited to funding bonuses for the management
23 personnel under whose supervision their properties were destroyed.

24 Thus, as requested and allowed by the Court at the hearing in this matter on January 29, 2019,
25 twenty-two (22) of the 2015 Butte Fire victims hereby object to any request by the Debtors for entry
26 of any order authorizing priority payments of unsecured pre-petition obligations of the Debtors in
27 advance of payments of Debtors’ pre-petition obligations arising under executed and, by their terms,
28 effective settlement agreements between Debtors and Dawnielle Burich, Philip Charvet, Diana

1 Eriksen, Stein Eriksen (and the two minor Eriksen children), Deborah Guyton, Nancy Kuchins, Carl
2 Madeiros, Brian Ottinger, Jack Rodgers, Thomas Rodgers, Jillian Sandbothe, Richard Segovia, Abrilh
3 Shouse, William Shouse, Hilde Solliday, Mark Wiebens, Nicole Wiebens, Peter Wiebens, Gerhard
4 Ziemer, and Jerry Ziller, all of whom are victims of the 2015 Butte Fire and plaintiffs in the *Butte Fire*
5 *Cases*, Sacramento County Superior Court, JCCP Case No. 4853.

6
7 DATED: January 31, 2019

Respectfully submitted,

8 **COREY, LUZAICH, DE GHETALDI & RIDDLE LLP**

9
10 By: 

Darío de Ghetaldi
Amanda L. Riddle
Steven Berki
Sumble Manzoor
Attorneys for Fire Victim Creditors in the
2015 Butte Fire Cases, Objectors Herein

11
12
13
14 **DANKO MEREDITH**

Michael S. Danko
Kristine K. Meredith
Shawn R. Miller
Attorneys for Fire Victim Creditors in the
2015 Butte Fire Cases, Objectors Herein